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## BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

DOCKETED

KRISTIN K. MAYES, Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

NOV 13 2009

DOCKETED BY

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In the matter of:

DOCKET NO. S-20661A-09-0108

West Mining and Innovations, Inc., a  
dissolved Arizona corporation,

DECISION NO. 71336

Avison C. (AC) West and Barbara M. West,  
Husband and Wife,

**ORDER TO CEASE AND DESIST, ORDER  
FOR ADMINISTRATIVE PENALTIES AND  
CONSENT TO SAME**

Respondents.

**BY: RESPONDENTS WEST MINING AND  
INNOVATIONS, INC. AND AVISON C. (AC)  
WEST AND BARBARA WEST**

Respondents West Mining and Innovations, Inc. and Avison C. (AC) West ("Respondents") and Barbara West ("Respondent Spouse") elect to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist, Order for Administrative Penalties and Consent to Same ("Order"). Respondents and Respondent Spouse admit the jurisdiction of the Arizona Corporation Commission ("Commission"); neither admit nor deny the Findings of Fact and Conclusions of Law contained in this Order; and consent to the entry of this Order by the Commission.

## I.

## FINDINGS OF FACT

1. Avison C. (AC) West ("WEST") is an individual residing in Maricopa County, Arizona.

1           2.       West Mining and Innovations, Inc. ("WM&I") is an Arizona corporation with its  
2 principal place of business in Gilbert, Arizona. Pursuant to public records of the Commission,  
3 WM&I was dissolved on April 10, 2009 as a result of a filing of the articles of dissolution by  
4 Respondent WEST. WEST is a member of the board of directors of WM&I. WEST also  
5 represented himself as the owner and president of WM&I in electronic mail communications.

6           3.       WM&I and WEST may be referred to collectively as "Respondents."

7           4.       Barbara M. West has been at all relevant times the spouse of Respondent WEST and  
8 may be referred to as "Respondent Spouse." Respondent Spouse is joined in this action under  
9 A.R.S. § 44-2031(C) solely for purposes of determining the liability of the marital community.

10          5.       At all relevant times, WEST has been acting for his own benefit and for the benefit  
11 or in furtherance of the marital community.

12          6.       On or about March 3, 2009, WEST on behalf of WM&I, posted an investment  
13 opportunity on the internet through phoenix.craigslist.org available for all internet users to view  
14 without password protection. The craigslist.org advertisement was specifically directed to Arizona  
15 residents since it was posted to the Phoenix, Arizona section of the website and it included the  
16 following statements:

17               a)       That WEST is a geologist with a doctorate in geology specializing in  
18 precious metals recovery and that he had over 25 years of experience in this field;

19               b)       That WEST is seeking \$50,000 and offering offerees and/or investors  
20 preferred stock in his WM&I corporation, which will be redeemed within 180 days of investment  
21 for "BARS of REFINED gold bullion of at least 99.99% purity equaling a total TROY weight of  
22 100 TROY POUNDS (1400 troy ounces)" (*emphasis in original*);

23               c)       "Even at a LOW value of normal SPOT gold price of just \$500.00 an ounce,  
24 that would equal \$700,000.00 in dollar value" (*emphasis in original*);

25               d)       That the investment based in gold is safer than the stock market. He also  
26 stated that, "[t]his is about as safe as it can get for an investment that can return so much";

1 e) That WEST had “access to some extremely rich gold reserves that are prime  
2 to tap”; and

3 f) That the recovery of the gold would be based on a new high-tech science  
4 method developed by WEST;

5 7. An Arizona offeree contacted WEST as a result of this advertisement.

6 8. On or about March 9, 2009, WEST, on behalf of WM&I, responded to the offeree  
7 and transmitted a document titled “The Project” describing the investment opportunity. The Project  
8 document stated the following:

9 a) That WEST would purchase the historic “Vulture Mine” located in  
10 Wickenburg, Arizona;

11 b) The Vulture Mine is currently flooded and has “over 30 MILES of flooded  
12 tunnels, there are literally billions of gallons of rich gold bearing waters to process” (*emphasis in*  
13 *original*);

14 c) That WEST’s high-tech extraction method would allow him to extract and  
15 collect gold on a microscopic or sub-atomic level from the water and salt deposits that can be  
16 collected from the Vulture Mine. This would result in a greater overall extraction of precious  
17 metals, particularly gold, because of the water and salt deposits exposure to gold and therefore the  
18 ounce-per-ton ratio would be much greater than traditional ore extraction methods;

19 d) That dissolved gold is present in normal water and that WEST’s proprietary  
20 system can extract such “dissolved gold” and other precious metals with high purities for profit. In  
21 fact, WEST’s Project document presents a visual extraction and recovery of gold from a particular  
22 “clay” that is used in kitty litter and by using his proprietary process he stated he was able to  
23 extract and recover gold from that kitty litter;

24 e) That WEST’s proprietary process when used to process and extract gold and  
25 other precious metals from the Vulture Mine would allow WEST and WM&I to pay back the  
26 investor and “literally - within just a few months – be able to buy the entire mine outright” too;

f) That WEST tested his proprietary process on fifty (50) pounds of salt obtained from a particular region in the USA and was able to yield five (5) grams of pure gold, as displayed in the Project document with attached pictures. This test extrapolated out to a recovery rate of 10 ounces of gold per ton of salt; and

g) That through the Bureau of Mines or the Federal Bureau of Land Management, WEST has access to additional flooded mines that he could mine to secure the 100 troy pounds of gold to repay the total \$50,000 investment;

9. However, pursuant to the public records of the Arizona State Land Database and the Department of the Interior Bureau of Land Management, Mining Claims, WEST and WM&I do not possess any state or federal mining claims in Arizona, which would be required to mine and extract precious metals on state or federal land.

10. Respondents fail to disclose the material risks associated with the investment, including but not limited to, the fact that an investor could lose all or a large portion of their principal investment. Neither the website posting nor the transmitted information discloses any material risks associated with the investment.

11. At all times relevant, WEST was not a registered salesman or registered dealer and WM&I was not a registered dealer.

12. Respondents did not raise any investor money and promptly removed the website advertisements upon service of the Notice.

## II.

## CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to Article XV of the Arizona Constitution and the Securities Act.

2. Respondents offered or sold securities within or from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

3. Respondents violated A.R.S. § 44-1841 by offering or selling securities that were neither registered nor exempt from registration.

4. Respondents violated A.R.S. § 44-1842 by offering or selling securities while neither registered as dealers or salesmen nor exempt from registration.

5. Respondents violated A.R.S. § 44-1991(A)(2) by making untrue statements or misleading omissions of material facts.

6. Respondents' conduct is grounds for a cease and desist order pursuant to A.R.S. § 44-2032.

7. Respondents' conduct is grounds for administrative penalties under A.R.S. § 44-2036.

8. Respondent WEST acted for the benefit of his marital community and, pursuant to A.R.S. §§ 25-214 and 25-215, this Order of restitution and administrative penalties is a debt of the community.

### III.

#### ORDER

THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, Respondents' and Respondent Spouse's consent to the entry of this Order, attached and incorporated by reference, the Commission finds that the following relief is appropriate, in the public interest, and necessary for the protection of investors:

IT IS ORDERED, pursuant to A.R.S. § 44-2032, that Respondents, and any of their agents, employees, successors and assigns, permanently cease and desist from violating the Securities Act.

IT IS FURTHER ORDERED that Respondents and Respondent Spouse comply with the attached Consent to Entry of Order.

1 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that Respondents WM&I and  
2 WEST, individually, and the marital community of WEST and Respondent Spouse, jointly and  
3 severally shall pay an administrative penalty in the amount of \$2,500. Payment shall be made in  
4 full on the date of this Order. Payment shall be made to the "State of Arizona." Any amount  
5 outstanding shall accrue interest at the rate of 10% per annum from the date of this Order until paid  
6 in full.

7 For purposes of this Order, a bankruptcy filing by any of the Respondents shall be an act of  
8 default. If any Respondent does not comply with this Order, any outstanding balance may be  
9 deemed in default and shall be immediately due and payable.

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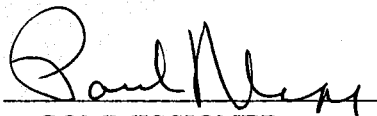
IT IS FURTHER ORDERED, that if any Respondent fails to comply with this order, the Commission may bring further legal proceedings against that Respondent, including application to the superior court for an order of contempt.

IT IS FURTHER ORDERED that this Order shall become effective immediately.

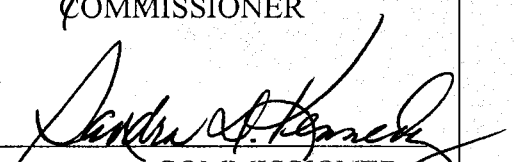
BY ORDER OF THE ARIZONA CORPORATION COMMISSION

  
CHAIRMAN


  
COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 13<sup>th</sup> day of November, 2009.

  
ERNEST G. JOHNSON  
EXECUTIVE DIRECTOR

DISSENT

DISSENT

This document is available in alternative formats by contacting Shaylin A. Bernal, ADA Coordinator, voice phone number 602-542-3931, e-mail [sabernal@azcc.gov](mailto:sabernal@azcc.gov).

(PTH)

**CONSENT TO ENTRY OF ORDER**

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2       1.       Avison C. (AC) West ("WEST"), West Mining & Innovations, Inc. ("WM&I")  
3 (collectively "Respondents"), and Barbara West ("Respondent Spouse"), admit the jurisdiction of  
4 the Commission over the subject matter of this proceeding. Respondents and Respondent Spouse  
5 acknowledge that they have been fully advised of their right to a hearing to present evidence and  
6 call witnesses and Respondents and Respondent Spouse knowingly and voluntarily waive any and  
7 all right to a hearing before the Commission and all other rights otherwise available under Article  
8 11 of the Securities Act and Title 14 of the Arizona Administrative Code. Respondents and  
9 Respondent Spouse acknowledge that this Order to Cease and Desist, Order for Administrative  
10 Penalties and Consent to Same ("Order") constitutes a valid final order of the Commission.

11       2.       Respondents and Respondent Spouse knowingly and voluntarily waive any right  
12 under Article 12 of the Securities Act to judicial review by any court by way of suit, appeal, or  
13 extraordinary relief resulting from the entry of this Order.

14       3.       Respondents and Respondent Spouse acknowledge and agree that this Order is  
15 entered into freely and voluntarily and that no promise was made or coercion used to induce such  
16 entry.

17       4.       Respondents and Respondent Spouse understand and acknowledge that they have a  
18 right to seek counsel regarding this Order, and that they have had the opportunity to seek counsel  
19 prior to signing this Order. Respondents and Respondent Spouse acknowledge and agree that,  
20 despite the foregoing, Respondents and Respondent Spouse freely and voluntarily waive any and  
21 all right to consult or obtain counsel prior to signing this Order.

22       5.       Respondents and Respondent Spouse neither admit nor deny the Findings of Fact  
23 and Conclusions of Law contained in this Order. Respondents and Respondent Spouse agree that  
24 they shall not contest the validity of the Findings of Fact and Conclusions of Law contained in this  
25 Order in any present or future administrative proceeding before the Commission or any other state  
26



1 agency concerning the denial or issuance of any license or registration required by the state to  
2 engage in the practice of any business or profession.

3       6. By consenting to the entry of this Order, Respondents and Respondent Spouse agree  
4 not to take any action or to make, or permit to be made, any public statement denying, directly or  
5 indirectly, any Finding of Fact or Conclusion of Law in this Order or creating the impression that  
6 this Order is without factual basis. Respondents and Respondent Spouse will undertake steps  
7 necessary to assure that all of their agents and employees understand and comply with this  
8 agreement.

9       7. While this Order settles this administrative matter between Respondents,  
10 Respondent Spouse and the Commission, Respondents and Respondent Spouse understand that  
11 this Order does not preclude the Commission from instituting other administrative or civil  
12 proceeding based on violations that are not addressed by this Order.

13       8. Respondents and Respondent Spouse understand that this Order does not preclude  
14 the Commission from referring this matter to any governmental agency for administrative, civil, or  
15 criminal proceeding that may be related to the matters addressed by this Order.

16       9. Respondents and Respondent Spouse understand that this Order does not preclude  
17 any other agency or officer of the state of Arizona or its subdivisions from instituting  
18 administrative, civil, or criminal proceedings that may be related to matters addressed by this  
19 Order.

20       10. Respondents agree that Respondents will not apply to the state of Arizona for  
21 registration as a securities dealer or salesman or for licensure as an investment adviser or  
22 investment adviser representative until such time as all penalties under this Order is paid in full.

23       11. Respondents agree that Respondents will not exercise any control over any entity  
24 that offers or sells securities or provides investment advisory services within or from Arizona until  
25 such time as all penalties under this Order is paid in full.

26

1           12.     Respondents and Respondent Spouse agree that they will not sell any securities in  
2 or from Arizona without being properly registered in Arizona as a dealer or salesman, or exempt  
3 from such registration; Respondents and Respondent Spouse will not sell any securities in or from  
4 Arizona unless the securities are registered in Arizona or exempt from registration; and  
5 Respondents and Respondent Spouse will not transact business in Arizona as an investment  
6 adviser or an investment adviser representative unless properly licensed in Arizona or exempt from  
7 licensure.

8           13.     Respondent WEST and Respondent Spouse acknowledge that any restitution or  
9 penalties imposed by this Order are obligations of Respondent WEST, as well as the marital  
10 community.

11           14.     Respondents and Respondent Spouse consent to the entry of this Order and agree to  
12 be fully bound by its terms and conditions.

13           15.     Respondents and Respondent Spouse acknowledge and understand that if they fail  
14 to comply with the provisions of the order and this consent, the Commission may bring further  
15 legal proceedings against them, including application to the superior court for an order of  
16 contempt.

17           16.     Respondents and Respondent Spouse understand that default shall render them  
18 liable to the Commission for its costs of collection and interest at the maximum legal rate.

19           17.     Respondents and Respondent Spouse agree and understand that if they fail to make  
20 any payment as required in the Order, any outstanding balance shall be in default and shall be  
21 immediately due and payable without notice or demand. Respondents and Respondent Spouse  
22 agree and understand that acceptance of any partial or late payment by the Commission is not a  
23 waiver of default by Commission.

24           18.     WEST represents that he is a board of director of WM&I and has been authorized  
25 by WM&I to enter into this Order for and on behalf of it.  
26

*Avison C. West*  
Avison C. West

*Barbara M. West*  
Barbara West

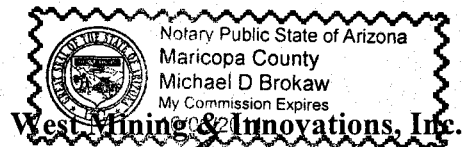
STATE OF ARIZONA       )  
  ) ss  
County of                       )

SUBSCRIBED AND SWORN TO BEFORE me this 1<sup>st</sup> day of October, 2009

*Michael D Brokaw*  
NOTARY PUBLIC

My commission expires:

10-06-2011



*Avison C. West*  
By       Avison C. West

Its       Member of the Board of Directors

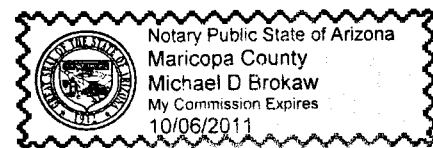
STATE OF ARIZONA       )  
  ) ss  
County of                       )

SUBSCRIBED AND SWORN TO BEFORE me this 1<sup>st</sup> day of October, 2009

*Michael D Brokaw*  
NOTARY PUBLIC

My commission expires:

10-06-2011



1 SERVICE LIST FOR:

ORDER TO CEASE AND DESIST, ORDER FOR  
ADMINISTRATIVE PENALTIES AND CONSENT TO  
SAME

3 BY: RESPONDENTS WEST MINING AND  
4 INNOVATIONS, INC. AND AVISON C. (AC) WEST AND  
5 BARBARA WEST

6 DOCKET NO.:

S-20661A-09-0108

8  
9 Avison C. West  
10 Barbara West  
11 1729 East Pony Lane  
12 Gilbert, Arizona 85295

13 West Mining & Innovations, Inc.  
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